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Porto Rico Agricultural Experiment Station,

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THE CONDITION OF THE COFFEE INDUSTRY IN PORTO RICO.

According to the census of Porto Rico for 1899, 41 per cent of the total cultivated area was planted in coffee. The total area in coffee was 197,031 acres, divided into 21,693 plantations, as a rule belonging to as many different owners. Estimating one laborer for every five acres, the total number of laborers required would be 39,406, which, added to the 21,693 owners, makes a total of 61,099 engaged in the occupation of coffee growing. According to the same census, the average size of a Porto Rican family is 5.3. Assuming that each of the above is a head of a family, the total population directly dependent on coffee is 323,824, or one-third of the total population of the island. Add to this the large number of people more or less indirectly interested in coffee—as, for instance, extra pickers during harvest time, merchants and their employees, etc.—it is safe to say that one-half of the population of this island exists only by means of the cultivation of coffee.

Before the cyclone of 1899 about 60,000,000 pounds of coffee were produced annually. The cost of picking this quantity, at an average of \$1.20 per 100 pounds, amounted to \$720,000, distributed in about two months during harvest time among the pickers alone. The terrible consequences of the cyclone reduced the output of coffee to about one-half, making the amount distributed for picking during harvest time only \$360,000. Add to this the loss of capital and of credit, which made it impossible for the owners to hire sufficient help to thoroughly work their lands, and the direct reason for the distress in the coffee region will become apparent.

Coffee planting being a lucrative business before the cyclone, everybody willing to work was disposed to undertake planting on his own account, and merchants generally furnished sufficient capital, to be repaid out of the incoming crops. As a rule only the interest was paid which was satisfactory to both parties, and the balance left was used for extending the plantations. The crop was the entire capital of the planter. Thus the cyclone year found all the coffee planters indebted to merchants or banks, but with a large crop on the trees many times sufficient to pay their obligations. On August 8 the cyclone destroyed in one day the entire crop; that is, took away from the planters their entire capital and from the merchants and banks the greater part of their revenues, besides leaving, as a rule, for security ruined estates, worth only a percentage of the original investment.

A well-known planter near Jayuya, owner of about 500 acres in coffee, estimated his crop in the cyclone year at 250,000 pounds, worth, at 15 cents per pound, \$37,500. He owed to different merchants about \$18,000, the greater part of which he had used for the erection of a fine

coffee-preparing establishment. A few weeks before the cyclone, wishing to consolidate his debt, he went to a bank and without difficulty borrowed the full amount, to be repaid with the proceeds of the harvest. He paid off his former creditors; the cyclone came, leaving him only 2,500 pounds of coffee, worth \$375, and an estate not worth the amount borrowed. For the latter reason no more money could be borrowed to rehabilitate the estate; consequently, owners and laborers were doomed to idleness and the estate to abandonment. The crop of 1902 was 20,000 pounds, worth, at 8½ cents per pound, only \$1,700, which, after deducting cost of picking and preparing, was insufficient to pay interest and expenses. This example is fairly representative of what happened to nearly all properties.

The condition of the coffee industry is now such that the proprietors of estates have no money to improve them and they can not borrow money, because the values of the estates are already lower than the mortgages on them. The only way to relieve the situation would be a considerable increase in value of the crop. This can be obtained in two ways; first, by increasing the demand for Porto Rican coffee, thereby securing to the growers better prices; second, by increasing the yields without proportionately increasing the cost of production. It is the latter problem that comes within the province of the experiment station and much experimental work is now in progress along this line. The time required to obtain reliable results and to secure the adoption of improved methods by the planters is necessarily long.

The first method, i. e., increasing the demand, is usually secured by extensively advertising, but the money required for this is not available.

Since the United States came into possession of Porto Rico the trade between the island and the States has been greatly increased. At the present time more than three-fourths of the imports are from the United States and the same proportion will hold in regard to most exports excepting coffee, of which less than five per cent is used in the United States. Where known, Porto Rican coffee is considered of excellent quality and prior to the Spanish war a large part of it found a market in Spain and Cuba at prices ranging from 23 to 35 cents per pound. When the United States came into possession of the island, Spain placed a high duty on Porto Rican coffee thus practically excluding it from her market. This loss of an important market, together with the damage caused by the cyclone of 1899 and the general reduction of coffee prices due to the overproduction of coffee by Brazil, are the factors chiefly responsible for the present deplorable financial condition of the coffee planters in Porto Rico.

If Porto Rican coffee were known in the United States it is believed there would be a constantly increasing demand for it.

J. W. VAN LEENHOFF,
Coffee Expert.

MAYAGUEZ, January 2, 1904.



